

ARMSTRONG TEASDALE LLP

Jeffrey A. Wurst, Esq. (admitted pro hac vice)
7 Times Square, 44th Floor
New York, NY 10036
Telephone: (212) 209-4443
jwurst@atllp.com
Counsel to Nordstrom, Inc.

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

In re:

BED BATH & BEYOND, INC., et al.,

Debtors.

Chapter 11

Case No. 23-13359 (VFP)

(Jointly Administered)

**STIPULATION BETWEEN DEBTOR, OAK STREET, AND NORDSTROM, INC.
WITH RESPECT TO CERTAIN LEASES IN ADDISON, TEXAS**

Nordstrom, Inc. (“Nordstrom”), by and through its attorney, Armstrong Teasdale LLP, hereby submits this *Stipulation Between Debtor, Oak Street and Nordstrom, Inc. with Respect to Certain Leases in Addison, Texas* (“Stipulation”) on behalf of Nordstrom, Bed Bath & Beyond, Inc. (“Debtor”), and Oak Street Investment Grade Net Lease Fund Series 2021-2, LLC (the “Landlord”), an affiliate of Oak Street Real Estate Capital, LLC (“Oak Street”), and respectfully states as follows:

WHEREAS, as more fully described in Nordstrom’s *Notice and Reservation of Rights of Nordstrom, Inc. with Respect to Certain Leases* (“Reservation of Rights”) [Dkt. 1057], Debtor and Nordstrom are parties to a 2013 lease pursuant to which Debtor, as owner and operator of a shopping center located in Addison, Texas known as the Gallery on the Parkway (the “Shopping Center”), leased retail space to Nordstrom (the “Nordstrom Lease”). Debtor informed Nordstrom

that, on or about December 2019, it entered into a sale-leaseback arrangement (the “Sale-Leaseback”) with one or more affiliates of Oak Street, pursuant to which Debtor conveyed its fee interest in and to the Shopping Center to an Oak Street affiliate and entered into a lease (the “Leaseback”) with such Oak Street affiliate as landlord and Debtor as tenant, leaving Nordstrom as a tenant to the tenant of the lease in the Sale-Leaseback;¹

WHEREAS, on July 28, 2023, the Debtor filed and served *Debtors’ Motion for Entry of an Order (I) Authorizing (A) Rejection of Certain Unexpired Leases and (B) Abandonment of any Personal Property, Effective as of the Rejection Date and (II) Granted Related Relief* (the “Rejection Motion”) [Dkt. 1613]; and

WHEREAS, the Rejection Motion seeks, *inter alia*, to reject the leases related to the Shopping Center (*See* leases 4-7 on Schedule) and any subleases thereto;

WHEREAS, on July 30, 2023, the Court issued its *Order Shortening Time Period for Notice* [Dkt. 1676], which required that objections to the Rejection Motion be filed and served by August 11, 2023 (the “Objection Deadline”), and scheduling a hearing on the Rejection Motion for August 16, 2023 (the “Rejection Motion Hearing”); and

WHEREAS, the Debtors, Nordstrom, and Oak Street (on behalf of the Landlord) entered into a stipulation as to Nordstrom, the Landlord and Oak Street: (a) extending the Objection Deadline until August 28, 2023; and (b) the Rejection Motion Hearing until August 30, 2023 (which hearing date was subsequently modified by email to August 29, 2023 [Dkt. 1893]); and

WHEREAS, the Debtors, Nordstrom and Oak Street have reached an agreement in principal as to the issues to be addressed in the Rejection Motion they desire a further extension to enable them to adequately document their agreement; and

¹ As described in the Reservation of Rights, Nordstrom maintains that it is not a subtenant under any lease.

WHEREAS, as a result of the circumstances described above, the parties seek an extension of time in order to resolve certain issues that would otherwise be raised in connection with the Rejection Motion;

NOW, THEREFORE, the Debtor, Nordstrom, and Oak Street (on behalf of Landlord), by and through undersigned counsel, hereby stipulate to the following:

1. The Objection Deadline as to Landlord and Oak Street is adjourned until September 8, 2023, and the Rejection Motion Hearing is hereby adjourned to September 12, 2023, or the date of the Debtor's Confirmation Hearing, whichever is later.

2. Debtor shall have no obligation to pay Landlord rental amounts related to the Shopping Center for any period following July 31, 2023.

3. Until such time that the Rejection Motion is resolved with respect to the Shopping Center, Nordstrom shall pay any rental amounts and all other obligations due under the Nordstrom Lease directly to Landlord as such obligations become due under the Nordstrom Lease, and Debtor consents to such arrangement.

4. Debtor, Oak Street, and Nordstrom agree that Nordstrom shall continue to remain in possession of the retail space located in the Shopping Center pursuant to, and subject to the terms of, the Nordstrom Lease pending further Order of the Court on the Rejection Motion, or agreement of the Parties.

5. Except as expressly set forth herein, all Parties rights are reserved with respect to the Rejection Motion.

SIGNATURES FOLLOW

Respectfully submitted,
Date: August 28, 2023



ARMSTRONG TEASDALE LLP

Jeffrey A. Wurst, Esq. (admitted *pro hac vice*)
7 Times Square, 44th Floor
New York, NY 10036
Tel: (212) 209-4443
Email: jwurst@atllp.com
Counsel to Nordstrom, Inc.

CONFIRMED AND AGREED TO BY:

/s/ Michael D. Sirota

COLE SCHOTZ P.C.

Michael D. Sirota, Esq.
Warren A. Usatine, Esq.
Felice R. Yudkin, Esq.
Court Plaza North, 25 Main Street
Hackensack, N.J. 07601
Tel: (646) 563-8932
Email: msirota@coleschotz.com
wusatine@coleschotz.com
fyudkin@coleschotz.com

Counsel to the Debtors

/s/ Robert L. LeHane

KELLEY DRYE & WARREN LLP

Robert L. LeHane, Esq.
William S. Gyves, Esq.
Kristin S. Elliott, Esq.
Jennifer D. Raviele, Esq. (admitted *pro hac vice*)
3 World Trade Center
175 Greenwich Street
New York, NY 10007
Tel: (212) 808-7800
Fax: (212) 808-7897
Email: rlehane@kelleydrye.com
wgyves@kelleydrye.com
kelliott@kelleydrye.com
jraiviele@kelleydrye.com

-and-

One Jefferson Road
Parsippany, NJ 07054
Tel: (973) 503-5900

*Counsel for Oak Street Real Estate Capital, LLC
and Oak Street Investment Grade Net Lease
Fund Series 2021-2, LLC*